

Alternative Discount Mechanisms

Rationale for Using NSLP Data

"...the national school lunch program determines students' eligibility for free or reduced-price lunches based on family income, which is a more accurate measure of a school's level of need than a model that considers general community income."

— FCC 97-157 ¶ 509
(Attachment A)

National School Lunch Program (NSLP)

- Primary mechanism
 - Number of students eligible for National School Lunch Program (number of students participating also acceptable)
 - School lunch eligibility data based on the percentage of students from family units who are within 185% (free + reduced) of the federal poverty guideline

NSLP and E-rate

- Percentage of eligibility calculated by individual school
- Number of students eligible for NSLP divided by the total number of students
- Basis of E-rate discount - Percentage of students eligible for NSLP plus school classification as Urban or Rural as defined by MSA/Goldsmith

Alternative Mechanisms

"...schools that choose not to use an actual count of students eligible for the national school lunch program may use only the federally-approved alternative mechanisms which equate one measure of poverty with another."

— FCC 97-157 ¶ 510
(Attachment A)

Income Eligibility Guidelines (USDA)

- Income eligibility guidelines available at:
<http://www.fns.usda.gov/cnd/Lunch/Governance/Notices/01-02iegs.htm>
- Guidelines updated every year
- Census Bureau produces several indicators of poverty - use only 185% of federal poverty guideline for E-rate purposes

Income Eligibility Guidelines

Effective July 1, 2001 - June 30, 2002

Household Size	Annual Income Guidelines for 48 Contiguous United States, D.C., Guam and Territories
1	\$15,892
2	\$21,479
3	\$27,066
4	\$32,653
5	\$38,240
6	\$43,827
7	\$49,414
8	\$55,001
For each add'l member, add	\$ 5,587

Improving America's Schools Act

"(B) If the same data [NSLP] are not available, comparable data —

- (1) collected through alternative means such as a survey; or
- (2) from existing sources such AFDC or tuition scholarship programs."

— 34 CFR Ch. II, § 200.28 (a)(2)(i)(B)
(Attachment B)

Temporary Assistance for Needy Families (TANF)

- TANF replaced Aid to Families with Dependent Children (AFDC) when welfare reform legislation passed
- Measure of poverty must be comparable to NSLP guideline: family income at or below 185% of federal poverty guideline

Alternative Measures of Poverty

Acceptable Measures

- Temporary Assistance for Needy Families
- Need-based tuition assistance programs that rely on family income data
- Medicaid
- Food stamps
- Supplementary Security Income
- Federal public housing assistance (Section 8)
- Low Income Home Energy Assistance Prog.

Alternative Measures of Poverty

Acceptable Mechanisms

- Family income survey - Income at or below 185% of poverty guideline
- School survey - Participation in: TANF, need-based tuition assistance, Medicaid, food stamps, SSI, Section 8, or LIHEAP
- Existing sources - Participation in: TANF or need-based tuition assistance programs

Acceptable Mechanisms Family Income Survey

- Must be sent to all families whose children attend the school
- Must attain a return rate of at least 50%
 - Can project a poverty rate for all students in the school, based on all surveys returned
- Matching siblings permissible

Acceptable Mechanisms: Family Income Survey

- Must contain the following information:
 - Address of family
 - Grade level of each child
 - Size of the family
 - Income level of the parents
- Must assure confidentiality
 - Names of families NOT required

Acceptable Mechanisms: School Survey

- Same requirements as family income survey (sent to all families, attain a return rate of at least 50%, gather some family data)
- Counts participation in programs which serve families in poverty (see Slide 10)
- Can project a poverty rate for all students
- Matching siblings permissible

Acceptable Mechanisms: Existing Sources

- Families receiving TANF (replaced Aid to Families with Dependent Children (AFDC) when welfare reform legislation passed)
- Students in need-based tuition assistance programs that rely on family income data comparable to NSLP data
- Matching siblings permissible

Alternative Mechanisms - Issues

- E-rate eligibility is NOT equivalent to US Dept of Education Title I eligibility
- Data must be specific and verifiable at the individual school level
 - Percentage calculated from actual data OR
 - Percentage projected from survey with return rate of at least 50%
- Save/archive records, calculations, surveys

Alternative Measures of Poverty - *Unacceptable Mechanisms*

- Feeder schools
- Proportional data method
- Extrapolation from non-random samples
- Title I eligibility (not equivalent to E-rate eligibility)

Unacceptable Mechanism: Feeder Schools

- Projects number of low-income children in a middle school or high school based on average poverty rate of elementary school
- Uses percentage in one school to derive percentage in another school - data not collected on a school-specific basis
- Individual students may choose to attend another middle school or high school

Unacceptable Mechanism: Proportional Method

- Projects number of low-income children in a school using an estimate of local poverty (from Title I public school attendance area poverty percentages, census data, census tract)
- Uses estimated percentage in one area to derive percentage for individual school - data not collected on a school-specific basis

Unacceptable Mechanisms: Extrapolation from Non-random Samples

- Non-random subset of students chosen to derive percentage or
- Personal knowledge of students/families used to derive percentage ("Principal's Estimate")
- Data cannot be fairly extrapolated to total student population of school

Unacceptable Mechanisms:

Title I Eligibility

- Funds are allocated to a school based on the number of low-income students who reside in the school's attendance area
- Several additional poverty measures are acceptable under Title I to perform the calculation, but these measures are indirect estimates of poverty

Summary

- Existing sources must
 - Rely on family income data as NSLP does
- Surveys must
 - Use a federally-approved measure of poverty
 - Achieve at least a 50% return rate
- Existing sources and surveys may
 - Match siblings